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PROBLEMS PROSPECTS PROPOSALS
REPORT TO THE GOVERNOR AND 1983 LEGISLATURE

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PREFACE

As the 1983 Legislature convenes, Minnesota faces unprecedented difficulties and challenges. A weak national economy has cast an ominous shadow on the Minnesota economy. Short and long-term economic dislocations associated with increased energy costs, international competition, and federal efforts to contain inflation have serious and uncertain implications for the state's future economic health.

These difficulties represent both challenge and opportunity for Minnesota post-secondary education. Historically, the opportunities provided by Minnesota's array of post-secondary education programs and institutions – public and private, liberal and vocational in orientation – have ensured a source of creative, well-trained mindpower.

During 1983, however, this traditional source of ingenuity and skills may be weakened by the instability that characterizes the state's economy and public service commitments. A weakened post-secondary system would diminish educational opportunities, making long-term solutions to Minnesota's economic and public service problems more difficult.

A general reassessment of public obligations is likely during the 1983 legislative session because the availability of financial resources to meet current obligations is questionable. Federal policy changes and budget reductions have exacerbated the state's burden. A fundamental review of the state's policies can be useful to the health and vitality of post-secondary education. Budgetary problems faced during the 1981-83 biennium, for example, have stimulated greater efficiencies within the post-secondary system. They also have prompted critical re-evaluations of current practices and programs.

While efficiency is a goal always sought by decisionmakers and managers, efficiency achieved at the expense of effectiveness is an accomplishment of dubious merit. Or, stated more comprehensively, managerial efficiencies that undermine the achievement of the state's goals for public support of post-secondary education are efficiencies that Minnesotans may not be able to afford.

PREFACE

If post-secondary education is to help Minnesota prepare for a new and, likely, very different future, a fundamental re-examination of the state's system of post-secondary education and of the public financial support for it is needed.

The Coordinating Board, in compliance with its legislative mandate, has been pursuing such a reassessment over the past biennium. This report to the governor and the 1983 Legislature will provide the results of these efforts with a series of policy recommendations.

I. PROBLEMS

A. IMMEDIATE PROBLEMS AND CHALLENGES

Two immediate problems facing Minnesota post-secondary education must be brought to the attention of the governor and the legislature. They are:

(1) a contradiction between adequate state financial support for the total system, on the one hand, and the potential of inadequate funding levels for individual programs and institutions, on the other; and,

(2) projected enrollment declines over the next decade.

Failure to address these problems in 1983 could start a downward spiral resulting in the deterioration of quality programs and institutions. Such a development could be extremely difficult to reverse. The Coordinating Board believes that the critical long-run effects on the life of Minnesotans that such a decay in the system of post-secondary education would bring must be recognized and acted upon in 1983.

1. Funding

Minnesota's investment in post-secondary education in recent years has been characterized by adequate funding for the system as a whole, and, to some extent, inadequate funding for some institutions and programs. Conditions of the 1980s suggest this contradiction could become more severe.

During the past decade Minnesota has funded post-secondary education generously in the aggregate, reflecting the state's historical commitment to this service. Total state appropriations, adjusted for inflation, increased between Fiscal Year 1971 and 1980 by 28.5 percent at the University of Minnesota, 24 percent in the State University System, and by 28.3 percent in the Community College System. Minnesota ranked eighth nationally in 1981-82 appropriations per person for post-secondary education operating expenses, according to one survey. The state ranked 12th in total state appropriations for post-secondary education and 12th in appropriations per $1,000 of personal income.

Nevertheless, substantial reductions have been made in operating budgets of post-secondary education institutions during the past two years. As a result of actions to solve the state's fiscal problems, the public systems lost $40 million for 1981-83 plus another $10 million in salary money. For 1982-83, the state's position in the national rankings fell somewhat, according to the survey cited above. Minnesota ranked 14th in 1982-83 appropriations per capita, 13th in total appropriations for post-secondary education, and 19th in appropriations per $1000 of personal income. Minnesota ranked 38th in percent increase in appropriations for 1980-81 to 1982-83.

The continued loss of revenue from state appropriations could jeopardize the quality and depth of educational services provided by public institutions. Funding reductions also have had, and could continue to have, serious effects on private institutions. The dire consequences of severe reductions in funding for post-secondary education have been evident in other states such as Michigan and Washington.

During the years of enrollment growth and surplus revenues, Minnesota established an extensive system of opportunities for students throughout the state. Maintaining adequate funding for the entire system under the current structure in a decade of enrollment decline and financial uncertainty may be impossible. Yet even with efficiencies, substantial funding in the aggregate will be required to maintain Minnesota's long-standing support for post-secondary education.

As this total investment is spread over the state's array of programs and institutions, however, the adequacy of support for individual programs, institutions and other items is – or will be – questionable. Decisions both at the state and system level on how to distribute funds already may have resulted in inadequate funding for individual institutions. The state, for example, has provided special appropriations for some institutions with low enrollments or special missions, and some systems have established internal allocation policies to maintain minimum levels of support for small campuses. While these policies have preserved a wider range of opportunities than otherwise would have been available, the distribution of resources in

this manner may have come at the expense of other institutions and activities.

Enrollment declines may compound this problem of adequate funding for individual institutions and systems. As fewer students enroll and tuition revenue drops substantially, some institutions will have difficulty obtaining sufficient resources for their operation. In the case of the Community College System, where the enrollment outlook is more optimistic, additional students may enroll without complementary funding increases for the system as a whole. This is due to the current enrollment bulge funding policy. However, disparities in resources per student between large and small institutions may widen. Thus, if current funding policies continue, small institutions would continue to receive necessary funds to maintain and operate an instructional core. But reductions would have to occur in large institutions, which already may be operating at their maximum efficiency. With both enrollments and revenue declining, it may not be possible for some campuses to provide minimally acceptable programs. Thus, the state may reach a point under current policies where funds are spread too thin. This would be detrimental to the quality of education at both small and large institutions within the same system.

Whether this contradiction in funding becomes a more severe problem will depend upon funding and policy decisions made by the 1983 Legislature. Already, the per student appropriation in constant dollars has declined since 1979 in all the systems of post-secondary education. This decline was the result of deliberate state policy and was understandable in light of the significant funding increases in the 1970s. The continuation of this decrease in support with no corresponding reduction in the scope of services, however, inevitably must begin a deterioration of quality. Funding alternatives may need to be implemented to resolve this situation.

Measures of inadequate support must be identified and employed by the governor, the legislature and post-secondary governing boards. The contradiction between generous funding in the aggregate and potentially inadequate funding for individual programs and institutions must be reconciled. This reconciliation must be a product

of a state-level decision. Despite the good intentions of individual governing boards and institutions, the overall health of the state system of post-secondary education can be secured only by comprehensive state-level policies.

2. Projected Enrollment Decline

Enrollments in Minnesota post-secondary education, which grew rapidly in the 1970s, have peaked and will start to decline. By the end of the 1983-85 biennium, enrollments in public institutions are projected to be 7 percent below 1981-82 levels. Enrollment declines are projected to reach 20-25 percent by the mid-1990s. Projected enrollment declines are related closely to the funding problems facing post-secondary education.

The enrollment declines will vary. Some institutions and programs are likely to experience enrollment declines that are less than those projected; other institutions will have declines greater than anticipated. The pattern of this change in enrollment will be affected by state-level decisions including actions on tuition and financial aid levels. Many individual institutions act as if their own enrollment levels will remain stable while the projected decline occurs in other institutions. Such assumptions will create hesitant and disjointed planning for the contraction of services. In fact, enrollment declines already are occurring. In the fall of 1982 while total enrollment rose 0.6 percent, 27 out of 59 publicly supported institutions and almost two-thirds of the state's privately supported colleges experienced enrollment declines. The projected enrollment decline, caused solely by demographic factors, is likely to be exacerbated by economic difficulties.

A phenomenon related to both enrollment decreases and economic difficulties is likely to be a serious shift in participation patterns with students moving from higher price to lower price institutions. This shift in participation patterns creates uncertainty for officials at institutions and post-secondary systems, and decisionmakers. It also may affect current state funding practices. A substantial decrease in enrollment in the private post-secondary sector not only could harm individual private institutions but could require significant increases in state investment in the public sector to maintain quality for a larger number of

students. Shifts in participation patterns also may signal a fundamental problem for students who, because of significant increases in cost, find their opportunities to attend the institution that can best meet their needs seriously limited.

II. PROSPECTS

The problem of how to fund individual institutions and programs adequately while enrollments decline will lead inevitably to an erosion of quality if no corrective measures are taken. The quality of programs and institutions will be strained severely if resources decline in relationship to students served or services performed. One way to forestall this erosion of quality is to restructure the system by which Minnesota provides educational opportunities.

A related and significant prospect is the possible curtailment of opportunity for individual students as the cost of attendance increases and the potential student's ability to pay this price is reduced. The ability of students and their families to pay these price increases will be affected by a continuation of economic problems and the likely reduction of federal need-based aid.

These prospects highlight the need for a fundamental reassessment of how Minnesota finances and structures its system of post-secondary education.

The Coordinating Board believes that this reassessment must begin with the question of what are the goals for public investment in post-secondary education. To that end the Board has recommended a set of goals. While the Board has not recommended a ranking of these goals, the funding recommendations of the governor and the actions of the 1983 Legislature will establish priorities. The recommended goals are offered to assist that process. The Board is suggesting a set of questions for the decisionmaker which will assist that person in judging how well each goal is being met.

The Board also has developed specific policy recommendations that suggest how Minnesota post-secondary education may be funded and restructured to promote these goals more effectively. The specific proposals are spelled out below.

III. PROPOSALS

A. INTRODUCTION

During the biennium, the Coordinating Board re-examined the state's goals for the public investment in post-secondary education and how to pursue them most effectively. Concurrently, the Board reviewed a variety of specific issues to determine how well current policies address the state's goals. As a result of this analysis, the Board has recommended — or will recommend in early 1983 — several proposals to the governor and legislature.

The most significant policy proposals include:

recommendations on how to support public post-secondary education during a period of fiscal constraint and enrollment contraction;

recommendations on state-level tuition policy for public post-secondary education;

recommendations on student financial assistance for all Minnesota post-secondary students;

recommendations on the state's role toward private post-secondary education;

recommendations on the governance structure for public institutions.

The general goals and specific policy proposals are discussed below. A more thorough discussion is provided in Part 2 of this report under separate cover.

B. GOALS TO GUIDE MINNESOTA'S INVESTMENT IN POST-SECONDARY EDUCATION

Goals provide the framework upon which to build policy. Without them there would be no direction to the state's efforts. While Minnesota has demonstrated a strong commitment to post-secondary education over the past decade, conditions have changed greatly since then. Thus, previously agreed upon goals may no longer represent accurately the state's best interest in post-secondary education.

In 1980, therefore, the Board suggested a re-examination of the state's goals for the investment of public resources in post-secondary education. This project was completed in June 1982 when the Board recommended to the governor and the legislature the following goals:

Minnesota should implement funding policies for post-secondary education which provide incentives for the most efficient use of limited resources in the provision of post-secondary education.

Minnesota should promote the greatest possible effectiveness in all of its post-secondary education programs.

Minnesota should support basic and applied research which results in new knowledge and ways to apply new knowledge in a socially useful manner.

Minnesota should provide sufficient resources to enable systems and institutions to offer programs which meet the minimum standards consistent with their mission.

Minnesota should strive to ensure all residents who can benefit from post-secondary education the opportunity to enroll in the institution or program suited to their educational needs and abilities.

Minnesota should support a diverse educational system in which systems and institutions possess different and educationally distinctive missions and settings.

Part 2 of this report further elaborates on the goals and provides the rationale for each of them.

C. THE AGENDA FOR ACTION

The process of identifying goals has helped the Board focus on how the state most effectively can achieve its overall objectives through state policy. The current fiscal crisis and the likely impact of enrollment declines on funding levels raise the issue of apportioning costs of post-secondary education among the state, students, and others. Three of the Board's proposals focus on this matter. Two other key issues are the state's policy toward private post-

secondary education and the adequacy of the existing governance structure.

1. Funding

For the past two years, the Coordinating Board, with the assistance of a special task force, has been examining the state's role in financing post-secondary education. The 16-member task force, called the Task Force on Future Funding, includes representatives from education, government and the public. It was created by the Coordinating Board in January 1980 to examine the implications of enrollment declines on current funding policies and to explore alternative policies. The Future Funding Task Force was to issue a report in late fall of 1982. Based on the Task Force's findings, the Coordinating Board in early 1983 will recommend to the governor and legislature an overall strategy for financing post-secondary education, including how to direct funding to public post-secondary education to achieve most effectively the state's goals.

The policies of the past will not be appropriate for the future. Current policies for funding post-secondary education were designed when both enrollments and available public resources were growing rapidly. The future holds exactly the opposite. Left unchanged, the policies that generously benefited post-secondary education during the past decade will seriously jeopardize the financial and academic viability of post-secondary education in Minnesota.

2. Tuition

Supporting the present system of institutions and programs in a period of declining enrollments suggests the need for a specific, equitable tuition policy that recognizes the needs of institutions, students and taxpayers.

In 1978 the Coordinating Board recommended a comprehensive tuition policy for public post-secondary education in Minnesota. The Board in 1980 voted to reaffirm its recommendation of a comprehensive tuition policy with two amendments. In 1982 the Board re-examined its policy and re-adopted its 1980 position with some changes.

PROPOSALS

The Board's policy is based on the following objectives and principles:

A. Tuition Policy Objectives:

1. That the cost of providing post-secondary education should be shared in an equitable manner by all students through tuition and by the state through direct institutional subsidies and financial aid.

2. That as many citizens as possible should be able to attend institutions appropriate to their needs.

3. That all forms of post-secondary education should be financially accessible to students from all socio-economic groups.

4. That tuition policy and practices should be evaluated in relation to goals for post-secondary education.

5. That tuition policy should provide incentives to institutions and systems for efficient management of public resources.

6. That a comprehensive state-level tuition policy should be applied at the system level with the specific establishment of particular tuition levels (taking into account particular program costs, residency status and other factors) being left to the discretion of individual governing boards.

B. Tuition Policy Principles:

1. Tuition price should be related to the costs of instruction, which would not include investments in capital.

2. The percentage which tuition revenue represents of instructional costs should be the same in each public system.

3. The percentage which tuition revenue represents of instructional costs should be 30 percent.

4. In recognition of the disparity which exists between tuition rates in the public collegiate systems and the area vocational-technical institutes, the tuition increases for the area vocational-technical institutes should be phased in gradually.

For the 1983-85 biennium the Board recommends the following action:

1. **That tuition adjustments sufficient to provide that tuition revenue represents 30 percent of instructional costs be made by the end of the 1983-85 biennium.**

2. **That tuition increases for the area vocational-technical institutes be phased in gradually and be 20 percent of instructional costs by 1985, and any special considerations that might justify a different percentage be studied further.**

Under the Board's policy, a student who chooses to attend an institution that has higher instructional costs would share in assuming those additional costs through higher tuition. The Board's recommendation that tuition revenue be 30 percent of the cost of providing the services being rendered represents a level consistent with the upper range of general practice in the state. Adopting this principle would discourage institutions from passing a larger portion of future budget cuts through to students in the form of higher tuitions. Further, the policy would ensure that the responsibility for financing post-secondary education is shared fairly.

3. Student Financial Aid

Besides providing direct subsidies to support institutions, the state provides financial assistance to students who demonstrate financial need. Direct student aid represents about 6 percent of the state's overall investment in post-secondary education while 92 percent goes directly to institutions, and 2 percent is for other activities.

Because of significant reductions in federal student assistance, severe fiscal constraints within Minnesota, and inequities in the current state system for providing student assistance, the Coordinating Board conducted a major

review of financial aid during the biennium. Based on its review, the Board recommends that the state's financial aid system be restructured. Specifically, the Board recommends that:

The governor and legislature reaffirm that the primary goal of Minnesota's financial aid system is to promote equal opportunity for a citizen to pursue an education beyond the high school level in institutions and programs that best serve his or her needs, regardless of economic circumstances.

The governor and legislature adopt, by statute or other actions, the policy principle that the state's role in the financial assistance system must be established as independent of the federal role.

The governor and legislature accept a redesign of the Scholarship and Grant Program — the plan for shared responsibility — in which all applicants, regardless of what institution they choose to attend, would be expected to provide a minimum of 50 percent of the cost of attendance.

These recommendations address five concerns. First, the policy would assure that all students be expected to contribute a rigorous, but manageable amount to their education through work or borrowing before they receive state financial assistance. Second, it would assure that all students have a reasonable opportunity to attend the institution best suited to their educational needs. The plan would not make it easy for students to attend high price institutions, but it would make it possible for them to choose such institutions. Third, it would treat all students equitably; all students attending the same institution would be expected to contribute the same amount toward their education. This is in contrast to the current system, which in reality expects the largest contribution from the most needy student. Fourth, the policy would take into account all available federal aid but would assume primary state responsibility for assuring equal opportunity. In contrast, the current approach assumes a role secondary to the federal programs. Fifth, the result of the policy would be to better target this state assistance to the most needy students. The existing system has provided an increasing

amount of assistance to middle-income students while reducing benefits to low-income students.

Because the policy would expect students to finance a portion of their education through borrowing, the Board implicitly recognizes a state responsibility to assure access to student loans. The Board, therefore, is examining how much students reasonably can be expected to borrow, what factors affect the availability and affordability of loans, which students are and are not served adequately by existing student loan programs, and how the state can best serve students in this area in the future.

The full funding of scholarships and grants, as described in the plan for shared responsibility, would require significantly more funding than the state now provides. This gap between available resources and funds needed to meet the needs of this program represents the extent to which educational opportunity is not now provided. Even with less than full funding, however, the proposed plan would represent a significant improvement over current policy because benefits would be distributed more equitably than under existing policy.

4. Private Post-Secondary Education

For over a century, post-secondary education in Minnesota has been provided by both state-supported, public institutions and private institutions. Each sector has distinctive characteristics and strengths that benefit Minnesota citizens.

While state policy for post-secondary education emphasizes public institutions and systems, the complementary role of private education has been recognized in state programs during the last 15 years. The most significant programs, in terms of expenditures and impact, are the State Scholarship and Grant Program, which assists students in both public and private institutions, and the Private College Contract Program, through which the state provides limited aid to private institutions. Most state programs that explicitly recognize private post-secondary education were developed during a period of growing enrollments and state revenues.

With the changes in economic and demographic conditions, the Board felt it important to re-examine the state's role toward private post-secondary education. Based on its analysis, the Board recommends the following:

That the dual system of public and private higher education is essential to the vitality of educational services in the state of Minnesota, and that decisions made at the state level should reflect the interests of maintaining and promoting a strong private sector.

That private post-secondary institutions, as members of the educational community, participate fully in the policies and procedures that are developed by the state and its agencies to plan for and to coordinate Minnesota post-secondary education.

That the state's student financial aid system fully recognize the differences in tuition and other charges that exist among the various post-secondary institutions in the state so that the financial aid system promotes an equal opportunity for all Minnesota students to pursue the public or private education that best meets their needs.

That the Private College Contract Program be modified to provide a payment to the institutions for use as a tuition reduction for each Minnesota resident enrolled in eligible private institutions equal to 5 percent of the state average appropriation per student to all comparable four-year or two-year public institutions.

These recommendations are intended to recognize the value of the private sector of post-secondary education to the total system and to assure that the state through its funding of institutions and students not jeopardize the financial viability of the private sector.

5. Governance

Over the past 25 years Minnesota's public post-secondary education system has grown rapidly. In 1960 there were 25 institutions, with little coordination at the state level. Today there are 59 publicly supported institutions in four centrally coordinated systems – the University of Minne-

sota, the State Universities, the Community Colleges, and the Area Vocational-Technical Institutes.

Although the present structure has served the state well, enrollment and fiscal conditions of the 1980s suggest the need for change in order to maintain and enhance the quality of post-secondary opportunities. Moreover, overlap of mission and duplication of services continue to exist throughout the state. This has been particularly evident between the two non-baccalaureate systems – the community colleges and AVTIs.

Resources can be combined to accomplish greater efficiencies while maintaining or improving services. The Board has identified several courses of action in extensive studies it conducted of the state's AVTI and Community College Systems. Based on these studies, the Board has recommended the following:

That the governor support and the legislature create a new state board for technical institutes and community colleges, which would have governing responsibilities for the technical institutes, the community colleges and the technical colleges of the University of Minnesota (Crookston and Waseca).

That the legislation creating the State Board for Technical Institutes and Community Colleges provide that the Board shall create area administrative structures. Each area administration shall include councils with responsibility to develop area plans; conduct area evaluations; recommend reallocation of programs, including positions within the area's budget, with approval of the state board; and conduct such administrative duties as delegated by the State Board.

The proposal for a single governing board is more likely to ensure effective governance of the sub-baccalaureate sector than is the current arrangement of separate and competing systems under different governing boards.

The proposal would encourage greater cooperation and coordinated planning between institutions that serve similar missions and students. It recognizes that the tech-

nical institutes have become a state system in funding, in program and in mission importance, but have not become a state system in governance.

As the state faces funding and enrollment problems, there will be a continued need to consider governance alternatives. As required under House File 2, the Coordinating Board will respond to plans for declining enrollment developed by each public post-secondary system for presentation to the 1983 Legislature.

IV. CHECKLIST FOR THE FUTURE

A. RELATING POLICY INITIATIVES TO GOALS

The governor and 1983 Legislature will face a difficult challenge. They will have to make critical decisions that will affect both the immediate conditions and future health of post-secondary education. Given limited resources, the legislature will have to establish priorities and make choices.

The Coordinating Board believes that policy and funding decisions should be related to the state's goals for post-secondary education. To help the governor and legislature evaluate the success of both current and proposed policies in achieving these goals, the Board suggests that decision-makers consider the questions that are listed below.

Achieving Efficient Use of Limited Resources: The following questions may help ascertain the extent to which state funding policies provide incentives for the most efficient use of limited resources in providing post-secondary education.

1. *What incentives exist in current state level funding policies to encourage systems to efficiently manage resources?*

2. *What incentives exist in allocation policies to encourage institutions to manage resources efficiently?*

3. *What is the range of costs per student within systems, sectors and institutions? What is the range of costs per student among similar programs? Why do these differences exist?*

Promoting Educational Effectiveness: Consideration of the goal to promote the greatest possible effectiveness in all of the state's post-secondary education programs raises the following questions:

1. *How do systems and institutions define effectiveness? What standards have been established to measure it?*

2. *What incentives are provided by the state and systems to promote effectiveness in institutions and programs?*

CHECKLIST

Supporting Research and the Expansion of Knowledge: The following questions may assist in assessing progress toward achieving the goal of supporting basic and applied research which results in new knowledge and ways to apply new knowledge in a socially useful manner.

1. *What proportion of the state's investment in post-secondary education supports basic and applied research? Has this proportion changed during the last five years?*

2. *What outcomes have resulted from current state funded research efforts which directly benefit Minnesota, the region and the nation?*

3. *How much non-state money have Minnesota post-secondary education systems received for contracted research projects? What outcomes have resulted from these research efforts that directly benefit the state?*

Establishing Core Funding Standards: In examining whether the state is providing sufficient resources to enable systems and institutions to offer programs that meet the minimum standards consistent with their mission, the following questions may be raised.

1. *What are the core instructional program and support services that must be provided, regardless of enrollments, in order to offer a program consistent with the stated mission of the institutions.*

2. *How have state appropriations per full-time equivalent student varied in constant dollars during the last five years? How has income from tuition per full-time equivalent student varied during the last five years? Have reduced revenues caused program reductions below the minimum program core necessary to carry out institutional missions?*

Promoting Equality of Educational Opportunity: The following questions may help in assessing progress toward enabling all Minnesota residents who can benefit from post-secondary education to have the opportunity to enroll in the institution or program suited to educational needs and abilities.

CHECKLIST

1. *What are the characteristics of students enrolled in Minnesota post-secondary education systems in terms of age, sex, race, income and ability? How do these patterns of enrollment relate to the distribution of these characteristics in the general population of Minnesota?*

2. *What are the characteristics of financial aid recipients by age, sex, race, income and ability, and how does this compare with the general population of Minnesota?*

3. *Is the state meeting the needs of financial aid applicants and recipients in an equitable manner? Do all eligible applicants receive an award?*

4. *What is the expected family contribution and student self-help obligation for financial aid recipients? What proportion of total need is being met by the continuation of state and federal grants? Can loans be used to fulfill a student's self-help obligations?*

Enhancing Educational Diversity: The following questions can be used to assess progress toward supporting a diverse educational system in which systems and institutions possess different and educationally distinct missions and settings.

1. *How do state policies promote the distinct mission of systems and institutions?*

2. *How does the state, through its appropriations process, promote a diverse system which takes into account the public role of independent institutions and educational resources available in neighboring states?*

3. *How do governing boards encourage institutions to develop distinct programs that are consistent with the mission of the systems and that make the most efficient use of limited funds?*

B. A COORDINATED APPROACH FOR ACTION

The Board's recommendations provide an ambitious, coordinated agenda for action by the governor and legislature. This agenda offers a positive approach to addressing the future of post-secondary education in Minnesota. Each of the proposals is related closely to the others. Tuition policy, for example, will affect the need for financial aid as well as the need for support of both public and private institutions. The governance structure of public institutions will affect how effectively institutions use what limited funds are available. The Board's proposals are described in more detail in Part 2 of this report.